

**CENTENNIAL ROAD COMMISSION**  
**1913 for OAKLAND COUNTY 2013**  
 100 YEARS OF TRANSPORTATION EXCELLENCE

**Welcome  
 Senate Transportation Committee!**

**Board of Oakland County Road Commissioners:**

- Gregory C. Jamian, Chairman
- Ron Fowkes, Vice Chairman
- Eric S. Wilson, Commissioner

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**Gregory C. Jamian**  
 Chairman

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**The Road-Funding  
 Distribution Formula**

**Ron Fowkes**  
 Vice Chairman

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### Current MTF Distribution Formula

- MDOT: 39.1%
- Road Commissions: 39.1%
- Cities/villages: 21.8%

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### How were the 4 cents of new gas tax distributed in '97?

- 1 cent ➡ MDOT bridges (1/2 cent today)
- + 3 cents ➡ MDOT, county  
road commissions,  
cities & villages

#### **4 cents (Gas only, not diesel)**

- \$45 million in truck registration fees set aside for MDOT debt
- 60% of all new state road money to MDOT

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- Locals need additional funding:
  - Maintain 90% of road miles
  - Have 50% of traffic
- CRAM has internal agreement:
  - When we get additional funding, urban factor will increase from 10% to 13%

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## Act 51:

- Signed into law in 1951 – amended 93 times since.
- Road funds distribution formula amended 25 times.
- 54 of 75 sections (72%) added since 1951.
- Only 12 sections remain in original form.
- 45 sections have been amended — some as many as 20 times.
- Not the same law today as adopted in 1951.

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**The Transportation Economic Development Fund (TEDF)**

**Eric S. Wilson**  
Commissioner

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## TEDF

- Has allowed Michigan to compete with other states to attract & retain jobs
- Is an economic development tool for the state: without it, likely would have lost jobs to other states
- Since 1989, TEDF Category A projects have helped to bring more than 3,000 jobs to Oakland County alone

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### **TEDF Facts:**

- Since program started in 1988, TEDF Category A supported:
  - The creation or retention of 268,000 jobs
  - \$131 billion in private investment
  - For every public, TEDF Category A dollar spent, the private sector has invested \$226

Source: MDOT

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### **Recent Oakland County TEDF Cat. A projects**

- 2013: Haggerty resurfacing, 9 Mile to Village Woods
  - **100 new jobs** for Mahle Inc.
- 2012: Crooks widening, Starr-Batt to Hamlin
  - **198 new jobs** for Vehma and Kostal Kontac
- 2011: Replace Silver Bell bridge over Grand Trunk RR tracks
  - **1,500 new jobs** for General Motors
- 2011: Roundabout at M-5 & Pontiac Trail
  - **65 new jobs** for Homedics
- 2006: New interchange at M-59 & Adams
  - **125 new jobs** for Borg Warner
- 2006: Intersection improvements, M-24 at Brown Road
  - **90 new jobs** for Delphi, GM and Atlas Capco

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### **Example: The GM Orion Plant**

- GM threatened to build in Tennessee unless somebody paid for roads around plant.
- Michigan's local road-funding structure does not provide funding for such projects.
- TEDF grants paid for paving and widening of the roads around the plant.
- More recently, GM threatened to move production from the plant if the Silver Bell bridge was not replaced.
- A \$1.9 million TEDF grant paid for the bridge and saved the jobs at the plant.

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### Per Capita State & Local Expenditures (Michigan's Rank in the Nation)

Expenditures	1964	1974	1984	1988	1992	2009
Health	5	8	9	3	12	13
Education	11	7	10	7	11	9
Welfare	31	5	3	8	17	32
<b>Roads</b>	<b>43</b>	<b>44</b>	<b>42</b>	<b>44</b>	<b>49</b>	<b>44</b>

Source: U.S. Census Bureau

### RCOC Operating (MTF) Revenues

FY 01 – FY 11: - 5.3%

### RCOC Cost Increase Examples (01-11)

Item	% Increase
Diesel fuel	379%
Gasoline	393%
Asphalt	202%
Cold patch	157%
Salt	197%
Plow blades	236%
Traffic signal cabinet	325%

### Impact of declining revenue for RCOC

- 2013:
  - 198 unfilled positions (as of December)
    - 35% fewer employees than 2007
    - less than any time since 1950s
  - 60+ unfilled positions are snowplow drivers
  - Road equipment deficit: \$25+ million
  - All services have been reduced

### How we've cut costs & saved money:

Done everything state has asked:

- Privatization
- Benefit restructuring
- Technology
  - Signals, winter maintenance
- Staff reductions
- Cross-training staff
- Reorganized departments
- Resource sharing:
  - Road maintenance, signals, fuel/materials, staff trainers
- Etc.

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### Activities Privatized

#### Fully Privatized:

- All road construction
- Curb Sweeping
- Pavement Marking (Legends & Striping)
- Large Tree Removal
- Simple Asphalt Resurfacing
- Shoulder Paving
- Concrete Repair
- Joint and Crack Sealing

- Slope Mowing on State Highways
- Bridge Inspection
- Guardrail Repair on State Highways
- Carpet Cleaning & Repair
- Vehicle Windshield Replacements
- Vehicle Body Work
- Oil Change – Autos/Light-Duty Trucks
- Night Watchman/Dispatch

#### Partially Privatized

- Light Truck & Auto Repair
- Boulevard Mowing
- Bridge Repair
- Base Repair
- Engineering (Road & Bridge Design)
- Signal Design
- Signal Installation / Modernization
- Heavy Equipment & Truck Repair
- Soil and Material Testing
- Gravel Spreading
- Larger Road Maintenance Projects (culvert replacements, dredging, etc.)

- Boom Inspections & Repairs
- Building Maintenance
- New Dump Truck Outfitting
- Building Janitorial Services
- Building Windows Repair/Replacement
- PM Service, Large Trucks
- Building HVAC and Plumbing Work
- Storm sewer clean-out
- Sign fabrication

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### Other Innovations

- RCOC brine/chloride program
- Highest concentration of roundabouts in state
- One of the earliest users of LEDs in signals
- Using free RAP from contractors
- Latest project technologies/techniques
  - “White topping”
  - Warm-mix asphalt
  - Cold in-place recycling
  - Accelerated bridge construction



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## The solution?

- Governor said we need more than \$1 billion per year in new road funding.
- We aren't proposing how this money be raised...
- ... But we agree it's needed.

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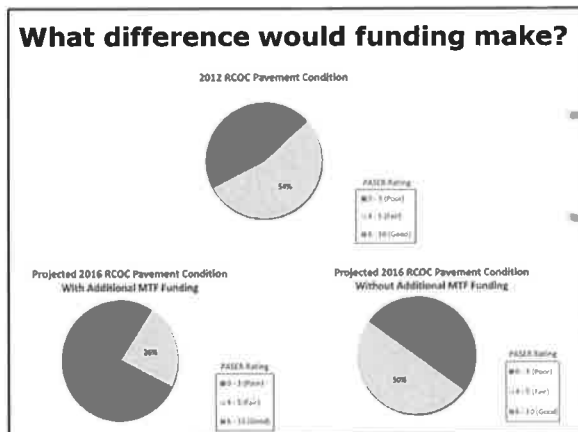
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## What difference would funding make?



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## Equipment Deficit

- 2014 equipment deficit: \$25 million
- 2015 equipment deficit: \$30 million
- 2016 equipment deficit: \$35 million
- Greatly impacts our ability to fight storms, especially over a long duration.

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## Connected Vehicle

**Definition:** To create an “Enabling Communication Infrastructure” to support Vehicle-to-Vehicle and Vehicle-to-Infrastructure Communications... the “*Wireless Superhighway*”

**Purpose:** To enable a number of new applications that provide significant safety, mobility and commercial benefits



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## QUESTIONS ???



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